

To: Rhode Island Renewable Energy Fund Advisory Board  
From: Nancy Selman  
Date: Aug. 2, 2004  
Re: Meeting Minutes for Jul 13, 2004

Next meeting dates: Second Tuesday of every month. For 2004: 8/10, 9/14, 10/12, 11/9, 12/14

In attendance: See attached Attendance List.

- 1) Minutes and Update
  - a) Minutes –
    - i) RECA –
      - (1) It was noted that the RECA contract is for 15 years
      - (2) Find out what the new contact is for SEO for RECA workshop
    - ii) Attendance list - Janet Keller's name was missing from the Attendance list
  - b) Update –
    - i) Biodiesel project - A question came up about permitting for the proposed biodiesel project. The project host will be contacted regarding permitting issues.
    - ii) JWU Wind project - It was noted that RISEO was told by JWU facilities staff that a member of the University Board is against the project.
    - iii) RECA – there was a discussion of the project, especially the commodity hedge. A presentation will be made about the RECA project and RECs in general at the August 2004 meeting.
    - iv) Royal Mills Hydro – a question arose as to what was the amount of the second proposal. (The second proposal was from Kleinschmidt Associates and was for \$20,000.)
    - v) Website – update the website URL.
- 2) Royal Mills – The developer of the Royal Mills property is requesting funding to complete a study of the feasibility of redeveloping a hydro project at the mill site. The following points were discussed:
  - a) It was noted that Fund consultants have more expertise in green power marketing than the engineering firms doing the studies. Fund consultant Bob Grace should provide assistance in this regard to the developer and/or its engineer.
  - b) Questions were raised regarding the size of the project (output in kilowatthours), the condition of the dam, and whether the dam was on the DEM target list for removal. Board consideration of funding the proposal was made contingent upon satisfactory answers to these questions. The dam is in good condition and the project is anticipated to be between 200 and 250 kW. See August, 2004 Update for more details.
  - c) The proposal will be discussed again in August, the Board may commit up to 50% of the cost of the study if the answers to questions in 2) b are satisfactory.
- 3) Entech Engineering – Chris Warfel requested an increase in his consulting budget with the Fund. The budget was increased by \$15,000 to accommodate the increase in work load. A second consultant will be considered in the future if the workload becomes unmanageable.
- 4) PV RFP – Under the current round of the PV RFP, a commitment of \$124,500 in incentives has been made for one 25 kW AC project for Whole Foods. Eight projects remain: Chariho Public Schools Administration Building and 7 municipal buildings proposed by CSG. The total funding request for the 8 projects is \$631,414.
  - a) Chariho –
    - i) The applicant will be asked to reduce the size of the project (from 25 kW to 15 kW or less)

- ii) Because the applicant did not factor the sale of RECs from the project into the request for funding, a request for quotation for a 10-year purchase of RECs from the school district has been prepared for Chariho and circulated to green power marketers.
- b) CSG – Due to the uniformity of the proposals, selection will be based on the following:
  - i) Ask the applicants to come up with cash payments: either an up-front payment on the order of 50 cents to \$1.00 per kilowatt, or approximately \$5000 to \$10,000 per system, or an ongoing payment to CSG in the form of a green premium, for the value of the green attributes allocated to the host.
  - ii) If more than 4 host sites (the number of projects that can be funded under the current budget of the Fund for this round of the RFP) agree to make a meaningful cash contribution to their projects, the Fund may consider expanding the budget.
  - iii) CSG can also reduce the size of the system at each site to spread more of the incentive funding around. Size reduction plus a cash contribution will increase the chances of funding more of the proposals.
  - iv) If no applicants are able to make any cash contributions to the projects, the Fund is committed to funding incentives of \$274,000 towards the projects (4 of the 7 projects). The 7 proposals would be prioritized based on the ability of the host to provide outreach and education, and the visibility of the project (this could be through signage placed in a high-traffic area.)
- 5) PV Outreach – CleanEnergyRI website should have information for customers wishing to explore on-site renewable generation options such as PV or small wind. The content on CleanenergyRI website can be simple (does not need to include Fund program info, but will link to Fund website to provide this information.)
- 6) Apeiron – Apeiron submitted a request for \$10,736 in funding to sponsor two speaking engagements by Steven Strong at Rhode Island colleges or universities. Generally, it was felt that the amount of money requested was too high – due to the perceived lack of demand for two appearances and also to the high proportion of the budget for marketing and overhead in comparison to the fees for the speaker. Questions were also raised regarding whether the attendance at the events would be great enough to justify the expense, and in the experience of Apeiron in marketing an event of this kind. Apeiron will be instructed to cut the request by doing one event and asked to demonstrate in the proposal their ability to market the event. It was decided that the Education and Outreach RFP be updated and sent out again as a way to fund this type of outreach.
- 7) Concord Seafoods Biodiesel Project – Concord Seafoods is investigating a project to collect French-fry grease and refine or, at a minimum, clean it for use in a diesel generator (in a 50% mix with diesel fuel). The project was presented in concept, not as a proposal for grant funding. The Board wanted to know if the RECs can be certified and whether there are permitting issues for a diesel generator at that location. If the RECs can be certified, the Fund may be willing to provide an incentive on the order of the value of the RECs, paid on the basis of a production incentive or an upfront, lump-sum incentive payment.
- 8) PP&L is meeting with Narragansett Electric on the backup rates that have just been filed with the PUC. The Board voted to authorize PP&L to pursue certain common (to PP&L and the Fund) interests such as the removal of backup rates for small renewable energy systems. Tech RI recommends that this does not impose higher rates on other ratepayers. Dave Stearns, Bill Lueker and Doug Hartley abstained from the vote. Dave Jacobson was not present for the discussion or the vote.

#### Decisions:

- 1) The Board voted to authorize PP&L to pursue certain common (to PP&L and the Fund) interests such as the removal of backup rates for small renewable energy systems.

- 2) The budget for Entech Engineering has been increased by \$15,000.

Actions:

- 1) Royal Mills-
  - a) Determine the size of the project (output in kilowatthours), the condition of the dam, and whether the dam was on the DEM target list for removal.
  - b) Fund consultant Bob Grace should provide assistance in determining the value of the RECs from the project to the developer and/or its engineer.
  - c) The proposal will be discussed again in August.
- 2) PV RFP – Follow up with Chariho and CSG as noted above.
- 3) PV Outreach – Instruct Smartpower to make changes to CleanEnergyRI.com website as noted above.
- 4) Apeiron – Provide feedback on proposal and let Apeiron resubmit the proposals.
- 5) Outreach and Education – revise existing Outreach and Education RFP and circulate.
- 6) Concord Seafoods Biodiesel – Determine if RECs can be certified and whether there are diesel generator permitting issues. Project host can make a proposal to the Fund for a grant in the amount of the value of the RECs that can be certified.
- 7) The Fund provided a letter to PP&L authorizing them to represent the Fund's common interests with respect to renewables and backup rates at PP&L's meeting with Narragansett Electric.

Attendance:

Buck, Roger  
Capobiaco, Julie  
Condon, Pat  
Hartley, Doug  
Jacobson, David  
Keller, Janet  
Lueker, Bill  
McClanaghan, Janice  
Moskal, John  
Pavlidis, Lefteris  
Rose, Vin  
Selman, Nancy  
Stearns, Dave  
Stephens, Erich  
Teichert, Kurt  
Vild, Bruce  
Ward, Harold  
Warfel, Chris